

St. Mira's College for Girls, Pune
(Autonomous-Affiliated to Savitribai Phule Pune University)

C41602.
 (2018-19)

Entire Syllabus.
 Skill: ACCOUNTANCY (Amalgamation, liquidation)

Flexi Test on Amalgamation

Sub: Corporate Accounting
 SYBCom 'C' Sem: IV

St. Mira's College for Girls
 SET 'A'

Date: 19/3/2019
 Flexi 3
 Roll No. 4015

Q1. A Ltd. and B Ltd. amalgamated on 31/03/2018 to form a new company AB Ltd. Calculate Purchase consideration for A Ltd. and B Ltd. and pass Journal entries in the books of AB Ltd. AB Ltd took over all assets at 10% depreciated value and liabilities at book value. The PC was discharged at Rs. 50,000 in Cash and balance in equity shares. [10 Marks]

Particulars	A Ltd. (Rs.)	B Ltd. (Rs.)
Share Capital	5,00,000	6,00,000
General Reserve	30,000	35,000
Profit & Loss A/c	-50,000	40,000
Bills Payable	10,000	20,000
Sundry Creditors	60,000	40,000
8% Debentures	1,00,000	-----
Provident Fund	50,000	30,000
Plant & Machinery	2,00,000	1,50,000
Debtors	50,000	60,000
Cash	30,000	25,000

09/10

→ Calculation of Purchase Consideration

Particulars	NET ASSET METHOD	
	A	B
Assets taken over		
Plant & Machinery (2,00,000 - 20,000)	180,000	1,35,000 1,50,000
Debtors (50,000 - 5,000)	45,000	5,400 22,500
Cash (30,000 - 3,000)	27,000	2,250 22,500
Total ATO	225,000 252,000	189,000 211,500
Liabilities taken over		

Deepanjali Mazumder
 Subject Teacher.



Principal Incharge
 St. Mira's College for Girls

Asst. Prof. Deepanjali Mazumder